Management Discussion

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Thank you, and good morning, everyone. Welcome to Chatterbox Technologies Limited's H1 FY '27 earnings call. On behalf of the management team, I would like to thank all our investors, analysts, and stakeholders for joining us today. On the call with me today are Mr. Curt Marvis, Director of Chatterbox and Co-Founder of QYOU Media Inc., as well as the CEO, our corporate promoter and parent company. Mr. Raj Mishra, our Promoter, Managing Director, and CEO of Chatterbox, as well as Director of QYOU Media Inc. Ms. Pooja Mehta, our CFO; and Ruchi Brahmbhatt, our PR lead.Over the past decade, Chatterbox has evolved into a full stack creator economy platform operating across influencer marketing, talent management, content creation, social media solutions and technology-enabled campaign execution. Today, the company is India's only public listed influencer marketing company and has built a strong presence across multiple industries and geographical markets. During H1 FY '27, Chatterbox continued to strengthen its operating platform, expand its client relationships and enhance its international presence. The creator economy continues to evolve rapidly, with brands increasingly recognizing the importance of digital content, creator-led engagement and measurable marketing outcomes. We believe this presents a significant long-term opportunity for companies with the right combination of technology, talent and execution capabilities.With this, I would like to hand it over to Mr. Raj Mishra to take us through the business performance and key developments during the first half of FY '27. Over to you, Raj.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
All right. Thank you, Farrell. Good morning, everyone, and thank you for joining us today. To start with, H1 FY '27 has been an encouraging period for Chatterbox. We have continued to build over the foundation established over the last few years, particularly post-IPO, while making steady progress towards a larger ambition of becoming a technology-led integrated creator economy platform. Our strategy is centered around bringing together the different layers of creator economy under our ecosystem So spanning across creator representation, influencer marketing and brand solutions, social media management as well as content production. We believe this integrated approach gives us a differentiated position in the market and allows us to deliver greater value to our brand partners.Just to kind of briefly touch upon a few operational highlights of the first half, we continue to see healthy growth across our operating ecosystem. Our creator network expanded to about 436 creators compared to 324 in the same period last year. We executed about close to 1,500 campaigns, up from about 1,200 campaigns in the corresponding previous last year, while the number of brands we served increased to about 530 from about 458 last year. These numbers reflect the continued expansion of our network, the strength of our brand relationships and our ability to execute at scale across multiple categories and markets.Equally important has been our progress in building a more diversified business model. Our three key verticals; Chatter Represent, Brand Solutions and Chatter Social. It provides us with multiple revenue streams and opportunities to deepen our engagement with existing clients while acquiring new ones. Moving on, geographically, international markets contributed about 32.6% of our H1 FY '27 revenue. This is an important part of our growth strategy as we continue to expand our global presence, leverage cross-market opportunities and bring a strong international business.Looking ahead, we remain focused on four strategic priorities. First, we want to strengthen our core business verticals and drive deeper penetration with our existing brand relationship. Second, we want to accelerate our international expansion and build a more meaningful presence across key global markets. Third, we want to

invest in technology, data and AI capabilities to improve operational efficiencies, enhance campaign intelligence and build scalable solutions for brands and creators. And lastly, for maintaining a sharp focus on sustainable growth, operating discipline and long-term profitability.An important part of the journey is also the opportunity to leverage the broader QYOU Media ecosystem, create potential synergies across markets, capabilities and relationships. As we move forward, our focus will be on translating the synergies and the strengths we have built, our creator network. We want to expand our brand relationship. We want to integrate our services and capabilities into more scalable, globally relevant and profitable business. As a team, we remain excited about the opportunities ahead and are committed to creating long-term value for all our key shareholders and stakeholders.With that, I would like to now hand over the call to our CFO, Ms. Pooja Mehta, who would take you through our financial performance for H1 FY '27 in greater detail. Over to you, Pooja.

Pooja Mehta - Chief Financial Officer, Chatterbox Technologies Ltd
Thank you, Raj. Good morning, everyone. I will now take you through the financial performance of the company for the first half of financial year '27. We are pleased to report a healthy financial performance during H1 financial year '27 with strong growth in revenue and EBITDA. Revenue from operation for H1 FY '27 stood at INR53.28 crores compared to INR35.98 crores in H1 FY '26, registering a year-on-year growth of approximately 48.07%. EBITDA increased by approximately 47.34%, that is INR9.77 crores compared to INR6.63 crores in H1 FY '26.Profits before tax stood at INR7.56 crores compared to INR5.98 crores in FY '26, registering growth of 26.48%. Profit after tax increased to INR5.96 crores compared to INR4.70 crores in the corresponding period last year, registering growth of approximately 26.77%. PAT margin stood at 11.18%. While we delivered a healthy growth in revenue and EBITDA, the growth in the profit after tax was relatively moderate, primarily on account of higher depreciation and amortization during the period. Depreciation and amortization stood at INR2.22 crores in H1 FY '27 compared to INR0.65 crores in H1 FY '26, primarily reflecting investment made in strengthening our AI and digital infrastructure alongside the development and enhancement of our studio capabilities to support our long-term growth.Moving to our cost structure, payment to creators and related costs stood at INR30.68 crores during H1 FY '27 compared to INR23.09 crores in H1 FY '26. Employee benefit expenses increased to INR7.16 crores from INR5.19 crores, reflecting our continued investment in strengthening the team and supporting the expansion of our business operations. Our focus remains on maintaining operating efficiency while continuing to invest in talent, technology, production capabilities and business expansion.From a business vertical perspective, Chatterbox contributed approximately 40.1% of H1 FY '27 revenue. Brand Solutions contributed 44.2%, while Chatterbox Social accounted for 15.7%. We believe this balanced contribution across our three business verticals provides us with multiple avenues for growth and reduces our dependencies on any single service offering. From an industry perspective, beauty and lifestyle contributed approximately 48.9% of H1 FY '27 revenue, followed by entertainment at 18%, hospitality at 16.9% and technology at 10.7%. The balance came from other categories including health, fitness and wellness, finance and travel. This diversified category exposure allows us to work with brands across multiple industries and leverage our creator network and template capabilities.Geographically, domestic markets contributed 67.4% of H1 FY '27 revenue, while international market accounted for 32.6%. The increasing contribution from international market reflects our progress made in expanding our geographical footprint and building relationship beyond India. We believe our international operations supported by the Dubai subsidiary and the broader QYOU Media network will provide opportunities to further diversify our revenue streams over the coming years.Overall, H1 FY '27 has been a period of healthy revenue growth, improved

EBITDA and continued investment in strengthening our business capabilities. We remain focused on maintaining financial discipline while supporting the company's long-term growth perspective.With that, I would like to hand over the call to Mr. Curt Marvis for his perspective on Chatterbox growth, opportunities and its strategic position within the QYOU Media ecosystem. Over to you, Curt.

Curt Marvis - Director - Chatterbox, CEO & Co-Founder QYOU Media, Chatterbox Technologies Ltd
Thank you, Pooja. Good morning, everyone. It's a pleasure to be here with all of you. I'm actually calling in from Los Angeles, California, where it's about 9:45 at night on Wednesday evening. It's very, very common for us to be working day and night between the QYOU Media team and the Chatterbox team. We've all become accustomed to running a 24-hour business so that somebody's always working somewhere. So it's a pleasure to be with all of you and to let you know how much we're dedicated to this business.I'd like to begin by acknowledging the progress that Raj and the entire Chatterbox team have made since the IPO in building the business and strengthening its position within India's creator economy. From QYou Media's perspective, Chatterbox continues to be a vitally important strategic asset within our broader global creator economy ambitions. India, as most of you are I'm sure aware, remains one of the most important markets for the creator economy globally, given its massive digital audience, increasing social media penetration and the growing role of creator-led content in brand communications.

We believe Chatterbox is extremely well positioned to benefit from these structural opportunities. As a part of the QYOU Media Group, Chatterbox has access to our international expertise, our technology capabilities, our market intelligence and our global relationships with Fortune 100 and 500 companies. We are increasingly focused on bringing these capabilities together as a unified team to create opportunities that can grow us across markets worldwide and strengthen the overall business.One of the key priorities is to support Chatterbox's international expansion. The Dubai subsidiary, which was launched earlier this year, provides an important gateway into the Middle East and the broader GCC region. We see opportunities to leverage the capabilities developed in India, and to some degree the U.S. as well, and extend them into international markets through strategic partnerships, cross-border client relationships and an expanding creator ecosystem. We believe that the creator economy is global in nature, and our objective is to build a scalable international platform while remaining focused on the unique requirements of each of our home markets.Another important area that Raj touched on is our focus on technology and innovation. The influencer marketing industry is evolving with traditional campaign -- or beyond traditional campaign execution. Brands that we work with are increasingly expecting better measurement, deeper audience insights and greater visibility into campaign performance. We've embraced this and focused on strengthening our technology and analytics capabilities, including AI-powered creator discovery, brand matching and campaign analytics. Our objective is to move beyond vanity metrics and provide brands with measurable, data-backed insights in campaign effectiveness in real time and return that in terms of making their investments valuable. We believe these capabilities can create a meaningful differentiation for Chatterbox and strengthen its long-term competitive position.Going forward, our focus will remain on supporting Chatterbox growth through international collaboration, technology integration and strategic partnerships. We will also continue to evaluate opportunities for M&A acquisitions and partnerships that are strategic and can accelerate our expansion and strengthen our overall capabilities. At the same time, we remain committed to maintaining strong governance, financial discipline and a focus on profitable growth. Overall, we're very, very optimistic about the long-term opportunity in the creator economy and believe that Chatterbox and QYOU Media, with its strong domestic foundation at Chatterbox and the growing international capabilities that we share

through both of our companies, puts us in a position where we are very well situated and positioned to participate in this opportunity.I'd like to congratulate again the entire Chatterbox team on their progress and their success in the first half of 2027, and we look for that to continue and continue to grow in the coming months, quarters and years. Thank you to all of our investors and shareholders for your continued support and for your confidence in management, in our employees and in the overall company.And with that, I will hand it back over to Ruchi.

Operator
I'm sorry, Ruchi ma'am, we are not able to hear you very clearly.

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
I think we can go ahead for the next phase.

Ruchi Brahmbhatt - PR and Communication Lead, Chatterbox Technologies Ltd
Am I audible now?

Operator
Yes, ma'am.

Ruchi Brahmbhatt - PR and Communication Lead, Chatterbox Technologies Ltd
Okay, great. Thank you everyone for taking out the time to join us today and for your continued interest in the company. We remain committed to delivering sustainable long-term value for all our stakeholders and look forward to your continued support and engagement. If you have any further questions or require any additional information, please feel free to reach out to our Investor Relations team at Adfactors. Thank you again and have a very, very wonderful day ahead.

Operator
Shall we open for the Q&A session?

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Yes, please.

Questions & Answers

Operator
Thank you very much. [Operator Instructions] The first question is from the line of Shravan Modi from Syndicate Family Office. Please go ahead.

Shravan Modi - Analyst, Syndicate Family Office
Good morning, everyone. Thanks so much for the opportunity. My first question is regarding, so what is the average duration of client relationships? and are brands increasingly moving towards integrated or recurring mandates instead of one-off campaigns?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah, I'll start with that. So this year we did about 71% from repeated client customers, right? That means the client retention was about 71%. The campaign durations, with the client durations have been -- we have about our top 10 clients have been with us about four to five years, right? So an average period that we look at on a client relationship is more than one annual contract cycle, right? And that helps us with the retention as well as in ensuring that we are able to deeper penetration and

increase the ticket size. So this year the focus has also been on penetrating deeper with the existing client relationship as well as increase the ticket size with them.

Shravan Modi - Analyst, Syndicate Family Office
Right, sir. So also my follow-up question is about this. So with brands increasingly demanding measurable campaign outcomes, how is the company adapting its business model towards performance mandates? And could this become a larger share of revenue going forward?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
I'll leave that to Raj. Raj, would you like to answer that?

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Before that, would you want to reiterate the question please, and a bit louder?

Shravan Modi - Analyst, Syndicate Family Office
Yeah. So my second question is regarding -- so with brands increasingly demanding measurable campaign outcomes, how is the company adapting its business model towards performance mandates? And also could this become a larger share of revenue going forward?

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Yeah, absolutely. Brands are increasingly demanding more measurable outcome wherever the dollar value has been spent. They would want to know like what's the CAC, the cost of acquisition for one customer. So brands are looking for partners who can offer a more comprehensive solution from not just creator identification representation, but also social media management and content production.So in a nutshell, just to answer your second part of the question, it is definitely a great monetizable opportunity for us because like myself and Curt mentioned over the call, we are pivoting into a more data-driven and our tech platform is going to be embedded in a way which is just going to be about data and social listening. So part of our monetization angle is to convert transactional engagements into a deeper multi-service relationship, which we believe can drive better revenue visibility, including strong client retention and higher wallet share over time. So yeah.

Shravan Modi - Analyst, Syndicate Family Office
All right, sir. Thanks so much for answering my questions. I wish you all the very best.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Anytime. Thank you, mate.

Operator
Thank you. The next question is from the line of Kaustubh Saha from Walford PMS. Please go ahead.

Kaustubh Saha - Analyst, Walford PMS
Hi. Good morning and congratulations on a good set of numbers. My first question is on the geographical split of the revenue. So we have seen a great improvement on the export revenue side. So from which geography actually we have been able to generate this revenue?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah. So largely it's been on the American side as well as our Dubai entities also helping us with the Dubai presence also to increase some wallet share over there.

Kaustubh Saha - Analyst, Walford PMS
And then in which segment it would be? In the social represent brands? What actually are we servicing these brands?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah. It's largely on the social as well as on the brand side, advising brands on how they can leverage influencer marketing, as well as Korea remains to be a good market for us, right, with a lot of beauty brands. So that helps us with the represent segment because our represent roster contains one of the highest beauty candidates as well as influencers. So that sort of becomes a natural integration with the Korean brands as well because of the recent -- you would have also seen an increase in the Korean beauty segment and the personal care segment in India overall, right? So these three markets are primarily contributing healthily.

Kaustubh Saha - Analyst, Walford PMS
So just want to understand, so these clients are based out of those countries, but the campaigns are carried out in India for them. Is that understanding correct?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
No, it goes all the way. It goes international campaigns also as well as Indian campaigns. Focus on Indian campaigns.

Kaustubh Saha - Analyst, Walford PMS
Focus on Indian campaigns. Fair enough. Next question was, in terms of our -- we have got the new studio which has gone live. So how does it help us in terms of our business and in terms of improvement in the margin?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah. So pre-IPO, when we did not have our own studio, we had just dabbled in with the production, content production side, right? With the studios in-house, we are able to integrate our social more better. We are able to produce reels on a much faster rate. We don't need to depend on third-party studios or gears, etc., to rent them out and then go ahead with our campaigns. So we are able to leverage that by providing influencers for it. We are able to leverage our AI studios to better mix and process all the outputs that we are giving. Our ad production has increased. And while another intangible impact of the studios is that it helps us gather ourselves as a 360-degree company, right? And like we discussed, production is something that has a higher margin rate compared to our typical core businesses, right? So it overall helps us increase the margin mix.

Kaustubh Saha - Analyst, Walford PMS
Okay. And one more -- last question from my side in terms of the financials. So the debtors have been increasing consistently for last two, three years in terms of the number of days. From 80 we have already reached 122. So what are we doing? And what would be the average number of debtor days that we'll have? And any significant provisions that we see due to any kind of bad debts that we would incur or everything is good as of now on the debtor side?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
So as of now, everything is reasonably good, right? We see an increase in the cycle when we increase in our export revenues, right? The average credit cycle on the American side is typically on a higher end than compared to the India side, right? So that puts pressure on our working capital. I

agree on that. But a large part of -- a decent part of the receivables that we see on the balance sheet are also of the recent quarter, right? So they would be realized in this quarter. So while it does stretch our DSO as well as the working capital cycle, we are still able to manage it, and we hope for a good realization in the next six months.

Kaustubh Saha - Analyst, Walford PMS
Okay, great. Thank you. Thanks for answering my questions. I'll join back in the queue.

Operator
Thank you. Next question is from the line of Vikrant Sahu from RK Advisory. Please go ahead. Vikrant, your line is unmuted. You may ask your question. As there's no response from this line, we'll move on to the next question from the line of Nitin, an Individual Investor. Please go ahead.

Nitin - Analyst, Individual Investor
Hi. Am I audible?

Operator
Yes, sir, you are.

Nitin - Analyst, Individual Investor
Okay, all right. Thank you so much for the opportunity. Congrats on a good set of numbers. My first question is regarding the other expenses. They have been quite high for the last one year or so. So do you expect to reduce it from this half year?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah. So this we would see a reduction in the next financial year. So one of the key reasons for an increase is our increased efforts on the PR side, which was part of the IPO objects. So if you see last September, we listed in October, so that September period comparative did not have those expenses as well as post-listing with the increase in the legal and professional, etc. Our other expenses have gone up, but it's all part of the planned activities. So next financial year we would see a control over there.

Nitin - Analyst, Individual Investor
Okay. So I guess, I mean, can you -- I mean, for this half year, why was it high? Because I think we've already incurred those costs in last half year?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
No. So it's about one to one and a half year period that we are utilizing our IPO spends, right? IPO investments. So the PR efforts, etc., are spread across this period, but they were not in the first half year of the last comparative period, right? Because after IPO started in October, right? As well as we see some bit of increase in our normal operational expenses like the rent with the new office studio, etc., coming up. So these efforts would go on till, March. The next half year also we would see some bit of other expenses. It won't increase, but it would be on the similar lines. And next financial year we would see a dip in those.

Nitin - Analyst, Individual Investor
So how much dip do you -- because I think it was like six years. So how much dip do you think would be there in percentage terms?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
About 30% to 40%.

Nitin - Analyst, Individual Investor
From next year?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yes, next financial year.

Nitin - Analyst, Individual Investor
Okay. Thank you so much. And sir, regarding the growth outlook, do you expect to maintain the similar growth rates going forward as well?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
We are striving to, I would say, but obviously at this stage, we have our festive season coming up, which is second half of the year has generally been typically good for us. I would want Raj or Curt also to shine some light on that, but we do see significant growth in the next six months as well.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Yeah. I mean, we absolutely remain optimistic about the growth trajectory of the business, the momentum what we've built across our creator network and brand relationships, which I was mentioning and also the campaign execution. It kind of baselines a very strong foundation to build on. Having said that, growth rates could vary from period to period depending on, like Feral mentioned, about the seasonality, the budgets, the market condition and the pace of our international expansion. But our core focus is on sustaining healthy growth while improving the quality of our revenue, getting more profitable, increasing more repeat businesses, expanding our integrated services offering.

So yeah, we are pretty equally conscious that growth needs to translate into profitability and stronger cash flows. So rather than commenting on a specific growth rate for a subsequent period, our priority is to kind of build a business that can deliver consistent, scalable and profitable growth over a medium to long-term purview moving forward.

Nitin - Analyst, Individual Investor
Okay. Thank you. And the last question is regarding the PAT margin. So do we expect to go back to the previous margins we had around 14% to 15% going forward?

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Yeah. I mean -- Farrell, you want to take that?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah. I mean, see, PAT margins, if you see at -- like I said, the other expenses have gone up. And if you see the non-cash depreciation, etc., has gone up right now. These are very important to the growth, and we see that reflect in our top-line growth as well. So at the moment, we are striving to increase the PAT margin. But like I said, the next financial year when the other expenses go down, we'd see a natural increase in the PAT margin also. While if we continue to strengthen and maintain the gross margins, we would automatically see a growth in the PAT margins as well.

Nitin - Analyst, Individual Investor
Okay. So do you think this would go back to the previous margin that we had, like 13%, 15%, something like that? Because I think it's already around 11%.

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yes, we're striving for that.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
And there are multiple levers to doing it, right? Like, do you -- how do you improve your revenue mix? How do you have technology-led efficiencies? How do you improve your production economics, cost optimization, what you mentioned? So all of that in together idea is to absolutely grow into stronger EBITDA and improve PAT margins too.

Nitin - Analyst, Individual Investor
Okay. Thank you so much. And all the best.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Thank you, mate.

Operator
Thank you. [Operator Instructions] The next question is from the line of Harsh Yadav from Aarth AIF. Please go ahead.

Harsh Yadav - Analyst, Aarth AIF
Hello, am I audible?

Operator
Yes, sir.

Harsh Yadav - Analyst, Aarth AIF
Thank you for the opportunity and congratulations on the numbers. So my question is that how much of the international revenue was actually generated by the UAE subsidiary itself?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
So the UAE subsidiary itself is getting operational in the next quarter, but the UAE subsidiary gives us a chance to exploit the presence that we have. So right now we don't have to give the mix out, but I could say that we've done about a couple of campaigns over there. With India focus, couple of good clients have been onboarded. And we'll see more traction and give the split from the next half year.

Harsh Yadav - Analyst, Aarth AIF
Okay, okay. Fine. That's it from myself.

Operator
Thank you. Next question is from the line of Manan Dalal from Dalal Family Office. Please go ahead.

Manan Dalal - Analyst, Dalal Family Office
Hi. Thank you for the opportunity. So my first question is regarding like, are brands shifting towards organized agencies and technology-driven platforms over the small...

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Sorry, sorry. Before I ask you to repeat it again, could you please ask again? I can't hear. It's a bit muffled.

Manan Dalal - Analyst, Dalal Family Office
Yeah. Am I audible now?

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Yeah. Audible, but a bit slow, please.

Manan Dalal - Analyst, Dalal Family Office
Okay. So are brands shifting towards organized agencies and technology-driven platforms over small independent agencies, especially in India and all?

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Yeah. I mean, that's the pivot, man. I mean, we're definitely seeing a gradual but meaningful shift in how brands are approaching the creator economy. A few years ago, influencer marketing was largely fragmented and brands working directly with individual creators on an Excel sheet, talent managers or smaller agencies for campaigns. Today it's become a much more holistic and significant part of the budgets. Brands are increasingly looking for organized partners, like I said, who can offer scale, transparency, measurement and integrated execution. So that's why we believe the market is evolving in our favor, because we are striving to build the same.

Manan Dalal - Analyst, Dalal Family Office
And sir, second question is regarding like -- regarding the other expenses. Like, it went from INR1 crore in last year to INR6 crores this year. So what are the main reasons for it?

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Yeah. Farrell, over to you.

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah. So the reason why it's -- so the way it goes is when brands start working with us, they initially start with one or two campaigns, right? But brands are now recognizing the importance of doing year-long campaigns. Having year-long different campaigns come out at different time periods. For example, now is the festive season, so we do sit down with the brands before that, help them analyze their entire year's objectives on the marketing front and the digital front and help them plan it out. So when we are -- the more relationship we are extending with the brands, the deeper market share as well as the deeper ticket size we are able to exploit out of them.

Manan Dalal - Analyst, Dalal Family Office
Okay, okay. Thank you so much and all the best for the future quarters.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Thanks .

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Thank you.

Operator
Thank you. Next question is from the line of Madhav Das from GN Investments. Please go ahead. Madhav sir, you're live. Yes.

Madhav Das - Analyst, GN Investments
Hi. Thank you for the opportunity. So I have a few questions, one being that what are the key drivers in our revenue growth that are supposed to sustain this momentum over -- for next two to three years? And how do we think about the company's growth trajectory going forward?

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Sure. I'll fill that. Sorry, your first question was key drivers in our revenue growth, right? And which can be sustained?

Madhav Das - Analyst, GN Investments
Yes.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Okay. See, I mean, for us, look, our revenue growth is being driven by a combination of multiple things, whether it's structural opportunities or our increasing capabilities, what we're building. So like we mentioned earlier, expanding our existing client relationship, biting into the larger wallet share of brand. As brands are increasingly allocating more and more budgets to creator-led marketing, we see opportunities to grow our wallet share within our existing client base. So that's what we've been doing. We want to move beyond individual campaigns to our, like I mentioned, integrated multi-service relationships. So that's on. The growth has also happened across our business verticals, Represent, Brand Solutions and ChatterSocial. They address different but sort of complementary requirements of brands and creators. So each vertical gives us an independent opportunity to scale and sustain. So that's been the focus also.And yeah, international expansion. Look, the markets are popping, at least where the creator economy is pretty sticky, and it's already contributed to about a decent 30% plus of our H1 FY '27 revenue. We have demonstrated that our capabilities can translate beyond India. And we see further opportunities to deepen our presence in these markets and expand selectively into new geographies where there's a very strong penetration of the creator economy. Similar approach I did when I used to head TikTok back in the days in India where I launched the platform, TikTok platform in multiple emerging markets. So we are following pretty much the same playbook, but going very tactical with the financial discipline model and strategic into the markets.And last lever for us for sustenance would be -- the biggest lever for us is the technology and AI-led scalability. So our investment in our platform and -- which would improve campaign intelligence and discovery and efficiencies over time. We believe that this would allow us to scale our business more efficiently and improve economics of our operation. So yeah, I mean, all of these in a nutshell combined together derivates us to be much more confident that sustainability could be attained and achieved. And that's how we see the company's growth trajectory moving forward.

Madhav Das - Analyst, GN Investments
Okay. Sir, one last question.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Yeah, go ahead.

Madhav Das - Analyst, GN Investments
How is our revenue mix expected to evolve across Chatterbox, Represent, Brand Solutions and CharterSocial? And which verticals are likely to be the key growth drivers going forward?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
All right. So Raj, I'll take this one.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Yeah, go ahead. Thank you.

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah. So in terms of revenue mix, like you saw this time, we had a healthy mix between Represent doing about 40%, about 44% coming from Brand Solutions. And historically if you see this, Represent and Brand Solutions have been contributing almost a similar thing. Sometimes it's Represent does a bit on the higher end, sometimes it's the Brand Solutions. So the way it works is Brand Solutions becomes a key entry point or the first time when we start a relationship with the brand. And then this slowly feeds it into a larger ecosystem and where we are able to cross-sell as well with our integrated services on social, on studios and also on utilizing our Represent exclusive creators. So the mix would largely remain the same with each of the segments individually contributing to the top line as well as on the bottom line.I hope that answers your question.

Madhav Das - Analyst, GN Investments
Yes. Thank you so much for patiently answering my question, and thank you for the opportunity.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Anytime.

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Thank you.

Operator
Thank you. Next question is from the line of Divya Reddy from Sunshine Capital. Please go ahead.

Divya Reddy - Analyst, Sunshine Capital
Yeah, hello. Hi. Good morning. Am I audible?

Operator
Yes, ma'am.

Divya Reddy - Analyst, Sunshine Capital
So I wanted to know, like, what are the key investments that are being made towards technology and product development, including the talent and infrastructure? And how could these investments impact the cost structure and profitability over the next few years?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
All right. So I'll start with it. So like Raj mentioned, we have been continuously focused on expanding our technology base as well as our products. So one, on the captive front, it automates a lot of things. It automates our campaign execution; it automates our talent discovery as well as improve the talent discovery and we're able to give brands better creators which are better suited to their

requirements and then increase their ROI. So that sort of helps us create a moat or a niche that keeps the brands recurring towards us. So that essentially helps us to, A, on the captive front do that. B, on the brand-facing front it's a kind of a platform that provides brands with their analytics, their real-time dashboards as well as something that they really want to value is the credibility of the data that's being pushed to them. So this -- the platforms and our investment in technology helps us achieve that and also helps us take this globally.Raj, you want to add anything on to this?

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
No, I think pretty much covered. Like, our key strategic investment into tech is to help us enable better creator discovery, audience intelligence and campaign planning, performance tracking and all of that. So -- and also not just for the external side of it, we want to invest into tech for internal automation and workflow efficiencies too, right? So we're investing into technology that can automate several processes across campaign execution, creator management, reporting, client servicing.So today many of these activities are resource intensive. So we believe tech can help us handle higher campaign volumes with much more efficient refresh rate intervals for live campaigns and proportionately increasing our manpower efficiency. So that's how we want to try and really build an integrated technology ecosystem. So just -- and we see benefits of that. One is improved productivity, better margins and scalability. So that's how we sort of envision as a team together of how we want to really leverage our technology spends into external as well as internal wins.

Divya Reddy - Analyst, Sunshine Capital
Okay, sir. Understood. Thank you. That's it from my side, and wishing you all the best for your future.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
Thank you.

Operator
Thank you. [Operator Instructions] The next question is from the line of Varun Trivedi. Please go ahead.

Varun Trivedi - Analyst, Individual Investor
Hi. Good morning. My first question is on international revenue. So it has contributed 32.6% during H1. So what are the key markets driving this contribution? And which geographies are expected to be in the focus area for expansion over next two to three years?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah. Like I previously answered, so North American markets have been -- American markets have been one of the key contributors along with our UAE expansion coming into picture as well as, like I mentioned, Korean brands seem to naturally align with what we are doing. So these markets have been driving good amount of growth and we expect this to sustain over the next few years as well.

Varun Trivedi - Analyst, Individual Investor
Okay. And with the Dubai hub now operational, what is the current scale of operation in Middle East in terms of clients, campaigns and revenue contribution?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
All right. So like I said, revenue contribution and the mix we will be publishing from the next quarter

or the next half yearly results. But for now, since it's been very nascent and newly operational, we've onboarded a few strategic clients and continue to expand our base. We'll be publishing more KPIs and metrics on this going forward.

Raj Mishra - Managing Director & Chief Executive Officer, Chatterbox Technologies Ltd
But the metric of what you see as numbers and attribution to Dubai, to what we initially promised when we launched. It's big disparities because of the external war situation. What happened because of that, that sort of cannibalized our initial six months of grinding and hustle, what we wanted to do in Dubai. But that doesn't rule out an addressable TAM of like in millions and millions of dollars in influencer marketing spend which the market has to offer. So we've been just focused on building and being there at the right place at the right time. So which we will. And yeah, like Farrell mentioned, next time we are announcing results, you would see a very meaty split across these markets. We're pretty dialed in to leverage this entire MENA region because it has that dollar value to offer.

Varun Trivedi - Analyst, Individual Investor
Okay, perfect. That answers my question. Thank you.

Operator
Thank you. The next question is from the line of Hiten Shah. Please go ahead.

Hiten Shah - Analyst, Individual Investor
Yeah, am I audible?

Operator
Yes, sir.

Hiten Shah - Analyst, Individual Investor
Yeah. So my question is regarding the cash flow basically. If you see the cash flow in H1, this H1, happens to be even more than that of FY '26. Okay, I can consider that the revenues are also increased substantially. But with this increased negative cash flow, I heard in the initial statements, the company may look out for some M&A activities. So how would that be funded if the cash flow is negative from operations? That is what my question.

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
So the cash flows -- okay. While -- we still have a healthy INR22 crores on the balance sheet if you look at our H1 numbers. While we're looking at an M&A, we're looking at something which is more in our limits. We are looking at more low-hanging fruits which are sizable, decent sizable companies with higher profitability margins. B, on the negative cash flow front, what you see is, A, we record our taxes also. So even in our TDS, etc., also gets recorded over here as a part of the taxes that have been deposited with the government. B, like I said, with our AR releasing upfront, in the next quarters, etc., we would have a healthy supply of the cash flow as well to take up our initiatives.

Hiten Shah - Analyst, Individual Investor
Okay. So is the understanding correct that probably we may see positive cash flow going forward?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yes.

Hiten Shah - Analyst, Individual Investor
Got it. Got it. So the reason why I was asking, I mean, continue to that, we had an IPO back in October last year at INR115. The current stock price, unfortunately, it is at somewhere around INR38 or so, basically. Okay, I'm not talking about the stock price. The reason why I ask, if you're looking at M&A opportunities Is the company thinking of something like a buyback as such instead of going for an M&A basically, because the stock price has plummeted so much from the IPO price. So is that something in also in consideration of something like a buyback if the cash is already there? If you can just elaborate on that.

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
We cannot comment on that at this moment.

Hiten Shah - Analyst, Individual Investor
Got it. Got it. And also if you can just let us know how are the influencers sub being remunerated, basically?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah. So our business model is the influencers that we have. So it depends on whether it's a campaign influencer or is it a represent influencer. With represent influencers, we generally have contracts which specify a fixed commission or a percentage of the business that we drive towards them that becomes our margin. So the remaining goes to them. Same goes with the campaign influencers, but it depends on campaign to campaign depending on how much value we are able to extract. So for an influencer, we would say that, hey, if for example it's a INR100 project, I would be giving you an X percentage and Y percentage would be retained by me. So this is how typically influencers...

Hiten Shah - Analyst, Individual Investor
What in general would be the maximum payout in terms of percentage to the influencers?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Again, it depends from a campaign to campaign. Some strategic campaigns we would have driven at a low margin to retain ourselves, just to onboard the client for the first time. In which case we would have maybe given to the influencer, let's say, about 70%, 80% or 90% also. So it depends on the business, the kind of business we're trying to drive as well as not just on a commercial point but also on a strategic point. So it's part of our customer acquisition strategy also.

Hiten Shah - Analyst, Individual Investor
So is there any binding agreement with this -- with the influencers? I mean, the reason I'm asking, I mean, could there be potentially conflict of interest if they are approached by some peers or peer customer or something like that? How would that be?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
So for the larger influencer network that we have, so influencers who are not bound by an agency, they are approachable by everyone. For the 110 influencers that we represent, they are all bound under a contract. Typically these contracts are of annual nature, which specifies that we would be their exclusive representation partner, which means any business that they are doing whether organically or driven through Chatterbox, it still gets accounted to us, right? So we still do get our commission, our part of the revenue from that.

Hiten Shah - Analyst, Individual Investor
Got it. And when we say when we fixed contract with this influencers, is it that -- I mean, is there any fixed payout annually that has been, drawn down for them?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
No, we do not -- no, no, we do not engage into that model as of today.

Hiten Shah - Analyst, Individual Investor
Got it. Got it. And the last question, if you can permit. How is the business? I mean, is there any cyclicality in the business in which we operate as such in general?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
I'm sorry, can you repeat the question?

Hiten Shah - Analyst, Individual Investor
Is there any cyclical seasonability in the business, that we operate?

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Yeah. There is a cyclability that we see. It's more about festive season-based, right?

Hiten Shah - Analyst, Individual Investor
Correct.

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
So what we would see October to December is festive-based, so brands typically reserve their marketing budgets for this period, because each brand needs that visibility during this time. So we do see a seasonality attached to it in this period. And Jan, Feb, March, brands are trying to exhaust their marketing budgets, so we'll see some kind of an increase over there as well. April, May, June typically is sort of a slowdown because the brands are just getting into their financial year, starting with the planning, etc. So executions typically get pushed to the Q2. So this is typically, I could say, we see in this industry itself.

Hiten Shah - Analyst, Individual Investor
Got it. Got it. Yeah, that answers my queries, and thanks a lot for being so candid and wish you all the best. Really appreciate it.

Farrel Arora - Group Chief Financial Officer, Chatterbox Technologies Ltd
Thank you.

Operator
Thank you. As there are no further questions from the participants, I now hand the conference over to Ms. Ruchi Brahmbhatt, PR and Communication Lead, for closing comments.

Ruchi Brahmbhatt - PR and Communication Lead, Chatterbox Technologies Ltd
Hello, everybody. Thank you so much first and foremost for taking out time and joining us today and for your continued interest in our company. We will remain committed to deliver sustainable long-term value for all our stakeholders and look forward to your continued support in future. In case you have any further questions or require any additional information, you can feel free to reach out to our Investor Relations team at AdFactors. I wish you all the very best and have a wonderful

day ahead. Thank you.

Operator
[Operator Closing Remarks]